GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA

UNSTARRED QUESTION NO:3182
ANSWERED ON:21.03.2017
Support to Small Farmers
Ering Shri Ninong

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether the Government has taken any measures to support farmers, especially small and landless farmers;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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(a) to (c): Agriculture is a State subject and the State Governments take appropriate measures for development of agriculture and farmers welfare (including small and landless farmers) in the State. State Governments are primarily responsible for the growth and development of agriculture sector in their respective States. The Union Government is according high priority for its progress and improving the welfare of the farmers. Government of India has taken several steps to revitalize agriculture sector and improve economic condition of farming community on sustainable basis by increasing investment, improving farm practices, creating rural infrastructure and delivery of credit, technology and other inputs, such as, extension, marketing, etc. Keeping in mind the dependence of a large section of India's society on agriculture and also the need for ensuring food and nutrition security, the Government supplements the efforts of States through appropriate policy measures and budgetary support. To this end, Government of India has taken several steps, which, inter-alia, include the following:

(i) Soil Health Card (SHC) scheme by which the farmers can know the major and minor nutrients available in their soils which will ensure judicious use of fertiliser application and thus save money of farmers. The balanced use of fertiliser will also enhance productivity and ensure higher returns to the farmers.

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(ii) Neem Coated Urea is being promoted to regulate urea use, enhance its availability to the crop and reduce cost of fertilizer application. The entire quantity of domestically manufactured and imported urea is now neem coated.

(iii) Paramparagat Krishi Vikas Yojana (PKVY) is being implemented with a view to promote organic farming in the country. This will improve soil health and organic matter content and increase net income of the farmer so as to realise premium prices.

(iv) The Pradhan Mantri Krishi Sinchai Yojana (PMKSY) is being implemented to expand cultivated area with assured irrigation, reduce wastage of water and improve water use efficiency.

(v) National Agriculture Market scheme (e-NAM). The Scheme envisages initiation of e-marketing platform at national level and will support creation of infrastructure to enable e-marketing in 585 regulated markets across the country by March 2018 to ensure remunerative prices to farmers for their produce.

(vi) The Government provides interest subvention of 3% on short-term crop loans up to Rs.3.00 lakh. Presently, loan is available to farmers at an interest rate of 7% per annum, which gets reduced to 4% on prompt repayment. Further, under Interest Subvention Scheme 2015-16, in order to provide relief to the farmers on occurrence of natural calamities, the interest subvention of 2% shall continue to be available to banks for the first year on the restructured amount and such restructured loans shall attract normal rate of interest from the second year onwards as per the policy laid down by RBI. The said provision is continued in the Interest Subvention Scheme, 2016-17. The benchmark for initiating relief measures by banks has also been reduced to 33% crop loss, in line with the National Disaster Management Framework.

(vii) In order to ensure that all eligible farmers are provided with hassle-free and timely credit for their agricultural operations, the Government has introduced the Kisan Credit Card (KCC) Scheme, which enables them to purchase agricultural inputs such as seeds,

fertilizers, pesticides, etc. and draw cash to satisfy their consumption needs.

(viii) The KCC Scheme has since been simplified by providing the farmers with ATM enabled debit card based on one-time documentation and built-in cost escalation in the limit, etc.

(ix) Further, under the Interest Subvention Scheme, post-harvest loans against Negotiable Warehouse Receipts (NWRs) provided by banks to Small Farmers / Marginal Farmers having Kisan Credit Card (KCC), are also available at the interest rate of 7% per annum for a period of upto six months, in order to discourage distress sale of produce by small and marginal farmers.

(x) To bring small, marginal, tenant farmers, oral lessees, etc. into the fold of institutional credit, Joint Liability Groups (JLGs) have been promoted by banks.

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(xi) Under Pradhan Mantri Fasal Bima Yojana (PMFBY), which has been introduced from Kharif 2016, the farmers have to pay only nominal premium of only 2% for all Kharif crops, 1.5% for all Rabi crops and 5% for annual commercial and horticultural crops and the balance is paid by the Government under PMFBY. This scheme provides insurance cover at all stages of the crop cycle including post-harvest risks, in specified
instances. As per the provisions contained in PMFBY, the farmers availing Seasonal Agricultural Operational (SAO) loan/ Kisan Credit Card (KCC) for notified crops in notified areas are being compulsorily covered to the extent of Scale of Finance/ Sum Insured of that crop and the Scheme is optional to the farmers. The scheme is a protection shield against instances of farmer suicides because of crop failures or damage due to natural calamities.

(xii) Minimum Support Price (MSP) is notified for both Kharif and Rabi crops based on the recommendations of the Commission on Agriculture Costs & Prices (CACP). The Commission collects & analyses data on cost of activation and recommends MSP. The Government has also declared bonus on pulses for Kharif 2016 over and above the approved MSP. Even during last year, Government offered bonus over and above the MSP in case of pulses.

Further, the Government undertakes procurement of wheat and paddy under its 'MSP operations'. In addition, Government implements Market Intervention Scheme (MIS) for procurement of agricultural and horticultural commodities not covered under the MSP Scheme, on the request of State/UT Government. The MIS is implemented in order to protect the growers of these commodities from making distress sale in the event of bumper crop when the prices tend to fall below the economic level/cost of production.

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